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OFFICE OF PETITIONS

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of :  
Gunter BAUR et al. : Group Art Unit: 2871  
Serial No. 08/627,386 : Examiner: Kenneth Parker  
Filed: April 4, 1996 :  
Title: ELECTROOPTICAL LIQUID CRYSTAL SWITCHING ELEMENT

PETITION UNDER 37 C.F.R. §1.181

**MAIL STOP PATENT EXTENSIONS**

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

**Relief Requested**

This is a petition requesting that the determination of the patent term extension for the patent that is to issue from the instant application be re-evaluated and that the patent term be extended for 1098 days. Attached please find a check in the amount of \$130.00, the Petition fee required under 37 CFR 1.17(h).

**Statement of Facts**

A Notice of Allowance was issued for the above-identified application on January 27, 2005. Included with the Notice of Allowance was a "Determination of Patent Term Extension under 35 U.S.C. 154 (b)" which indicated that the term of the patent would be extended 0 days.

The instant application was filed April 4, 1996, i.e., after June 7, 1995 but prior to May 29, 2000. Thus, as correctly indicated in the Notice of Allowance, patent term extension for the instant application is to be determined pursuant to former 35 U.S.C. 154 (b) (i.e., the version of

the statute prior to the amendment made effective May 29, 2000) and 37 CFR §1.701 (see MPEP §2710 and §2720). Former 35 U.S.C. 154 (b) is reproduced below.

In the course of prosecution of the instant application, the Examiner made an obviousness-type double patenting rejection in view of US Patent No. 5,576,867 (hereinafter US '867) which issued from the parent application, Ser. No. 466,068, filed on June 6, 1995. See the Office Action of November 30, 1998. In response, applicants filed a Terminal Disclaimer that disclaimed the terminal part of any patent granted on the instant application that would extend beyond the full statutory term of US '867. In addition, the Terminal Disclaimer stated that any patent granted on the instant application would be enforceable so long as it was commonly owned with US '867 and US Patent Nos. 5,841, 498 and 5,841,499 (hereinafter US '498 and US '499, respectively), which issued from US Ser. Nos. 627,387 and 627,388 respectively, both filed on April 4, 1996, the same day as the current application. US '498 and US '499 are, like the instant application, continuations/divisionals of US '867 (i.e., each was voluntarily filed by applicant with no involvement of a restriction requirement). No disclaimer with respect to the terms of US '498 and '499 was included in the Terminal Disclaimer.

Thereafter, the Examiner made obviousness-type double patenting rejections in view of US '498 and US '499. See the Office Action of December 19, 2000. Applicants responded by arguing that these rejections were rendered moot by the previously filed Terminal Disclaimer. The Examiner issued a Final Rejection arguing that the previously filed Terminal Disclaimer only terminally disclaimed with respect to US '867, not US '498 and US '499. See the Office Action of May 22, 2001.

On November 21, 2001, applicants filed a Notice of Appeal. On November 23, 2004, the Board of Patent Appeals and Interferences issued a decision reversing the Examiner's rejections. Thereafter, as noted above, the USPTO issued a Notice of Allowance for the above-identified application on January 27, 2005.

#### **Points to be Reviewed**

Applicants request review of the following two points:

- (1) that the terminal disclaimer filed in the instant application is not of the type mentioned in

the controlling version of 35 U.S.C. 154 (b) (i.e., it was not “due to” a double patenting situation which invoked the two-way test analysis demanded by the statute), whereby  
(2) applicants are entitled to a patent term extension of 1098 days.

### **Argument in Support of Re-evaluation of the Patent Term Extension**

The former version of 35 U.S.C. 154 (b), applicable to applications filed between June 8, 1995, and May 28, 2000, reads as follows:

(b) TERM EXTENSION.

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(1) EXTENSION FOR APPELLATE REVIEW. If the issue of a patent is delayed due to appellate review by the Board of Patent Appeals and Interferences or by a Federal court and the patent is issued pursuant to a decision in the review reversing an adverse determination of patentability, the term of patent shall be extended for a period of time but in no case more than 5 years. A patent shall not be eligible for extension under this paragraph if it is subject to a terminal disclaimer due to the issue of another patent claiming subject matter that is not patentably distinct from that under appellate review. (emphasis added).

### **Statutory Interpretation**

This petition involves interpretation of the last sentence of the statute. As clearly stated by the Federal Circuit in *Allergan Inc. v. Alcon Laboratories Inc.*, 324 F.3d 1322, 66 USPQ2d 1225 (Fed. Cir. 2003), the question of statutory interpretation begins with the language of the statute itself and, if the language is clear, the inquiry ends.

Statutory interpretation necessarily begins with the text of the statute. *Hughes Aircraft Co. v. Jacobson*, 525 U.S. 432, 438 (1999) (“As in any case of statutory construction, our analysis begins with the language of the statute.”) (quotations omitted). Our task is to determine whether the statutory language “has a plain and unambiguous meaning with regard to the particular dispute in the case. Our inquiry must cease if the statutory language is unambiguous and ‘the statutory scheme is coherent and consistent.’” *Robinson v. Shell Oil Co.*, 519 U.S. 337, 340

(1997) (quoting *United States v. Ron Pair Enter., Inc.*, 489 U.S. 235, 240 (1989)).

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In interpreting a statute, we presume that Congress intended to give words their ordinary meanings. *Asgrow Seeds Co. v. Winterboer*, 513 U.S. 179, 187, 33 USPQ2d 1430, 1433 (1995).

The language of the statutory sentence at issue is clear and unambiguous. The only kind of terminal disclaimer which eliminates eligibility for an extension is one that is filed “due to” an issued patent claiming subject matter that is not patentably distinct from that under appellate review. This is opposite to the usual kind of terminal disclaimer which is filed due to a double patenting situation where an application’s subject matter is patentably indistinct from that claimed in an issued patent.

Relevant Law: The statute is applicably only when a terminal disclaimer is filed in a two-way test, double-patenting scenario.

The statutory sentence deals with a particular, unique situation which applies only where the so-called “two-way test” applies.

In an obviousness-type, double-patenting situation, the specific question always to be answered is whether the claims of a given application are obvious in view of the claims of a cited patent. This is the so-called “one-way test.” See, for example, MPEP 804 (II)(B)(1).

However, the “terminal disclaimer” referred to in 35 U.S.C. 154(b) is one that is filed in response to an entirely opposite question, i.e., whether the invention defined in the patent claim(s) is an obvious variant of the invention defined in the application claim(s). But this question only arises when the “two-way test” applies, i.e., where both the one-way test question is asked (application claim weighed against patent claims for obviousness) and also the opposite question is asked (patent claim weighed against application claim for obviousness).

Thus, the question is whether the filing of the terminal disclaimer in the instant

application was “due to” a need to apply the two-way test.<sup>1</sup>

Whether the one-way test or the two-way test is to be employed under particular circumstances depends upon: (a) the respective filing dates of the application at issue and that which led to the patent, (b) the reasons for any delay in prosecution which caused the respective issuance order, and (c) whether the applicant could have filed the conflicting claims in a single application. In particular, if the application at issue is the later filed application or if the application and that leading to the patent are filed on the same day, the two-way test is inapplicable. In addition, if the application at issue is the earlier filed application, then the two-way test will be inapplicable unless the delay in prosecution of the earlier filed application causing the later filed application to issue first, was the result of administrative delay on the part of the PTO, **and** the applicant could not have filed claims to the conflicting subject matter in a single application.

See, for example, *In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226, 1232 (Fed. Cir. 1998). In *Berg*, an obviousness-type double patenting rejection involved two applications which were filed on the same day. As a result, the court in *Berg* applied the one-way test and further defined the narrow exception under which the two-way test will apply:

The two-way exception can only apply when the applicant could not avoid separate filings, and even then, only if the PTO controlled the rates of prosecution to cause the later filed species claims to issue before the claims for a genus in an earlier application. ... In *Berg*’s case, the two applications could have been filed as one, so it is irrelevant to our disposition who actually controlled the respective rates of prosecution. Because *Berg* could have filed one application, *Berg*’s case is controlled by factual analogy and in principle by *Goodman*. (emphasis added)

Thus, two conditions must be satisfied under *Berg*: the application of the later issuing patent must have been filed before the earlier issuing patent and the filing of the claims in more than one filing (application) must be unavoidable.

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<sup>1</sup> Filing of a terminal disclaimer, per se implies nothing about obviousness of subject matter sought to be patented. The filing of such a disclaimer does not constitute any acquiescence or admission with regards to the merits of an obviousness-type double patenting rejection. See, e.g., *Amgen, Inc. v. Hoechst Marion Roussel, Inc.*, 126 F.Supp.2d 69, 57 USPQ2d 1449 (D. Mass. 2001), *aff’d in part, vacated in part and remanded*, 314 F.3d 1313, 65 USPQ2d 1385 (Fed. Cir. 2003); *Ortho Pharmaceutical Corp. v. Smith*, 959 F.2d 936, 22 USPQ2d 1119 (Fed. Cir. 1992); and *Quad Environmental Technologies Corp. v. Union Sanitary District*, 946 F.2d 870, 20 USPQ2d 1392 (Fed. Cir. 1991). Thus, the mere filing of a terminal disclaimer can not be construed as being “due to” patentable indistinctness

In *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010, 2016 (Fed. Cir. 1993), the court specifically held that a two-way test analysis was not applicable in a situation where delay in the issuance of claims was the result of actions by the applicant, i.e., as here, the voluntary filing of claims in a continuation/divisional application, not administrative delay.

This case requires no “two-way” analysis. Although application claims 12 and 13 form the genus containing the species of a patent claim 3, PTO actions did not dictate the rate of prosecution. Rather, appellant chose to file a continuation and seek early issuance of the narrower species claim. Appellant also chose to forego an immediate appeal to this court on its broader claims when it filed a continuation application.

The two-way test and, consequently, the statutory sentence are inapplicable.

Turning to the facts of the instant application, it is self-evident that only the one-way test could have been used in the obviousness-type double patenting rejections presented during prosecution. Firstly, as noted above, the instant application was filed April 4, 1996. US ‘498 and US ‘499 were filed on the same day, i.e., April 4, 1996. The parent application, which issued as US ‘867, was obviously filed earlier, i.e., June 6, 1995. Thus, one mandatory requirement under *Berg* is not met – this application was not filed before those leading to any of the three patents. Furthermore, since all four involved applications are related as parent – continuation/divisional, they have identical specifications and applicant clearly could have filed (and, as in *Goodman*, appealed) the claims of all of them in a single application. Thus, the second mandatory requirement under *Berg* also is not met. Clearly, only the one-way test was operable for the involved obviousness-type double patenting rejections and associated terminal disclaimer.

Under 35 USC § 154(b), an application is ineligible for extension of patent term, only if it is subject to a terminal disclaimer, “due to the issuance of another patent claiming subject matter that is not patentably distinct from that under appellate review,” i.e., subject to a terminal disclaimer filed in response to an obviousness-double type patenting rejection where the two-way test is operable. Since the terminal disclaimer filed in the instant application could only possibly have been filed due to an obviousness-double type patenting rejection under which

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between the subject matter sought to be patented and that claimed in a previously issued patent.

solely the one-way test is operable, this application is not precluded from patent term extension under the subject sentence of 35 USC § 154(b).

**Calculation of Patent Term Extension**

The extension of the patent term is calculated under 37 CFR §1.701(e)(3). The period of the extension is the number of days starting from the date on which an appeal to the Board of Patent Appeals and Interferences was filed and ending on the date of the final decision in favor of the applicant. In the instant case, a Notice of Appeal was filed on November 21, 2001. The Board of Appeals issued a final decision on November 23, 2004. The time period between November 21, 2001 and November 23, 2004 is 1098 days.

**Conclusion and Action Requested**

In light of the reasons and authorities presented above, applicants respectfully request that the term of the patent issuing from the instant application be extended 1098 days.

The Commissioner is hereby authorized to charge any fees associated with this response or credit any overpayment to Deposit Account No. 13-3402.

Respectfully submitted,



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